STATE OF ARIZONA

OCT 29 1997

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE

In the Matter of the Withdrawal of:)	Docket No. 97A-149-INS
NOVO LIFE INSURANCE COMPANY (NAIC No. 93041),)	ORDER
Petitioner.)) _)	

On October 24, 1997, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge" ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters the following order:

- 1. The recommended findings of fact and conclusions of law are adopted.
- 2. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
- 3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation Commission; and (b) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit will not be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.

1	4. The sum of \$100.00 previously credited to the Insurance Examiners' Revolving
2	Fund will be refunded to the Petitioner, pursuant to A.R.S. § 20-159.
3	5. The Petitioner will file its 1997 Annual Statement with the Department, together
4	with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation
5	Commission on or before December 31, 1997.
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7	NOTIFICATION OF RIGHTS
8	The aggrieved party may request a rehearing with respect to this Order by filing a written
9	petition with the Office of Administrative Hearings within 30 days of the date of this Order, setting forth
10	the basis for such relief pursuant to A.A.C. R20-6-114(B).
11	The final decision of the Director may be appealed to the Superior Court of Maricopa
12	County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal must notify the Office of
13	Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal,
14	pursuant to A.R.S. §41-1092.10.
15	DATED this, 1997
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18	John A. Greene
19	Director of Insurance
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1	A copy of the foregoing mailed
2	this 29th day of October, 1997
2	Charles R. Cohen, Deputy Director
3	Gregory Y. Harris, Executive Assistant Director
4	Mary Butterfield, Assistant Director Catherine O'Neil, Assistant Director
_	Gary Torticill, Assistant Director Deloris Williamson, Assistant Director
5	Scott Greenberg, Business Administrator
6	Arizona Department of Insurance
7	2910 N. 44th Street, Suite 210 Phoenix, AZ 85018
	,
8	Office of Administrative Hearings 1700 W. Washington, Suite 602
9	Phoenix, AZ 85007
10	Thomas C. Layton
11	Thomas Layton & Company 5729 W. Libby Street
	Glendale, AZ 85308
12	
13	Esther Davis
14	
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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of

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NOVO LIFE INSURANCE COMPANY (NAIC No. 93041),

Petitioner.

97A-149-INS

RECOMMENDED DECISION OF ADMINISTRATIVE LAW JUDGE

HEARING: October 8, 1997

<u>APPEARANCES</u>: Thomas Layton on behalf of the Petitioner; Kurt Regner on behalf of the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

On October 8, 1997, a hearing took place to consider the application of Novo Life Insurance Company (the "Petitioner"), to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

Based upon the entire record in this matter, the following Findings of Fact, Conclusions of Law and Recommended-Order are made:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 1. The Petitioner has surrendered its Certificate of Authority to the Department.
- 2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.
- 3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
- 4. The Petitioner has filed its certified financial statement as of May 31, 1997 with the Department.

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> Office of Administrative Hearings 1700 West Washington, Suite 602 Phoenix, Arizona 85007 (602) 542-9826

- 5. At least 10 business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by an affidavit of publication. Petitioner also provided individual notice by mail to its known creditors, as evidenced by affidavit.
- 6. The Petitioner has a \$100,000.00 statutory deposit with the Department and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").
- 7. The Petitioner has complied with the provisions of A.R.S. §20-588 and with A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

RECOMMENDED ORDER

The undersigned Administrative Law Judge recommends that:

- 1. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
- 2. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit shall be released to the Petitioner after the Department has received the following: (a) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation Commission; and (b) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.
- 3. The sum of \$100.00 previously credited to the IERF be refunded to the Petitioner, pursuant to A.R.S. §20-159.
- 4. The Petitioner file its 1997 Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation Commission on or before December 31, 1997.

Done this day, October 24, 1997.

Lewis D. Kowal

Administrative Law Judge

Original transmitted by mail this ______, 1997, to:

Mr. John A. Greene, Director Department of Insurance 2910 North 44th Street, #210 ATTN: Curvey Burton Phoenix, AZ 85018-7256

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